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MICHIGAN LABOR MARKET REVIEW

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JOB SERVICE
Michigan Employment Security Commission

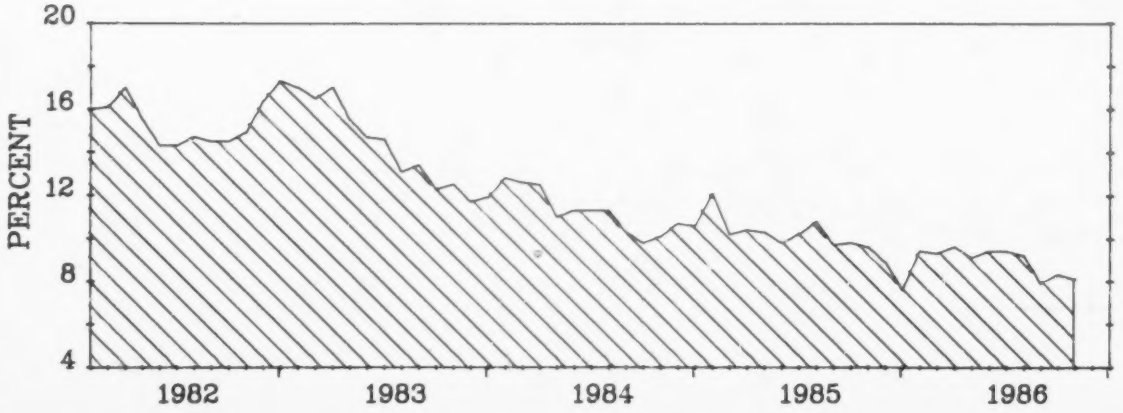
STATEWIDE UNEMPLOYMENT RATE DROPS

The Michigan unemployment rate dipped slightly as the jobless rate fell from 8.3 percent in September to 8.1 percent in October. The level of joblessness in September remained dead even with month ago figures as approximately 359,000 individuals were unemployed. The slight decline in the jobless rate was primarily due to seasonal advances in governmental payrolls as educational facilities reached peak employment levels. Total employment in Michigan grew by 1.7 percent to reach 4,057,000. Additionally, the civilian labor force expanded to 4,416,000, an increase of 68,000. Compared with a year ago, employment in Michigan has jumped by 135,000, while the size of the labor force increased by 79,000. In October 1985, the total number of persons out of work amounted to 414,000, representing an unemployment rate of 9.6 percent.

STATEWIDE JOB GROWTH CONTINUES

Wage and salary employment in Michigan increased as industry jobs inched upward to 3,629,000 in October. Employment opportunities rose by approximately 17,000 as service producing gains offset goods producing losses. Total goods producing employment at 1,106,000, decreased by 5,000 as a result of layoffs in the transportation equipment industry. Service producing positions climbed by 23,000 to 2,524,000 during the month, as local and state educational institutions reached peak performance levels. Since October 1985, industry employment in Michigan has climbed by 61,000 positions or 1.7 percent. Approximately 70,000 service producing jobs have been added throughout the year, while goods producing industries declined by 7,000.

MICHIGAN UNEMPLOYMENT RATES (1982–1986)



Civilian Labor Force, Employment, and Unemployment Estimates

State of Michigan

ITEM	OCTOBER 1986	SEPTEMBER 1986	AUGUST 1986	OCTOBER 1985
PLACE OF RESIDENCE				
Civilian Labor Force	4416	4348	4411	4337
Employment	4057	3989	4064	3922
Unemployment	359	359	347	414
Rate	8.1	8.3	7.9	9.6
PLACE OF WORK				
Wage and Salary Employment	3629	3612	3575	3568
Goods Producing Industries	1106	1111	1102	1113
Construction and Mining	137	138	136	124
Mining	11	11	11	10
Construction	127	127	125	114
Manufacturing	968	973	966	989
Durable Goods	746	751	745	771
Lumber and Wood Products	12	13	13	12
Furniture and Fixtures	26	26	26	26
Stone, Clay and Glass Products	19	18	18	19
Metals	165	165	162	172
Primary Metals	50	50	50	51
Fabricated Metals	115	115	113	121
Nonelectrical Machinery	124	126	125	132
Electrical Machinery	37	37	36	35
Transportation Equipment	341	345	343	354
Motor Vehicles and Equip.	319	323	321	336
Other Transportation Equip.	22	22	22	18
Other Durable Goods	21	21	21	21
Nondurable Goods	223	222	221	218
Food and Kindred Products	50	49	50	48
Textiles and Apparel	23	23	22	22
Paper and Allied Products	21	21	20	20
Printing and Publishing	39	39	39	39
Chemicals and Petroleum	43	43	43	43
Other Nondurable Goods	48	47	47	45
Rubber and Plastic Prod	45	45	45	43
Service Producing Industries	2524	2501	2473	2454
Trans., Comm. and Utilities	148	148	148	144
Transportation and Utilities	114	114	113	109
Communications	34	34	34	35
Wholesale Trade	182	182	181	175
Durable Goods	116	116	115	112
Nondurable Goods	65	66	66	64
Retail Trade	637	642	640	617
General Merchandise Stores	91	91	89	88
Food Stores	89	90	91	88
Automotive Dealers and Services	75	75	75	72
Eating and Drinking Places	218	223	223	208
Other Retail Trade	164	164	163	160
Finance, Insurance and Real Estate	171	171	173	163
Finance	88	88	90	85
Insurance and Real Estate	83	83	84	78
Services	789	786	785	755
Business Services	167	166	163	153
Health Services	267	266	267	260
Other Services	355	354	354	342
Government	596	573	546	599
Federal	59	60	60	58
State	151	141	134	154
Local	385	372	352	388
Labor Disputes	0	0	0	4

* Indicates a labor-management dispute in the industry.

Notes: Data expressed in thousands. Current month data are preliminary.

CIVILIAN LABOR FORCE data are based on the monthly Current Population Survey of the U.S. Bureau of Labor Statistics — 1985 Benchmark.

WAGE AND SALARY EMPLOYMENT is based on a monthly sample of employing establishments as part of the co-operative federal-state Current Employment Statistics program — March 1985 Benchmark.

CLAIMS ACTIVITY

The number of individuals collecting regular unemployment benefits decreased for the second consecutive month in October. The regular benefits claims load averaged 88,726 per week during the month, approximately 5,817 less than the September total.

The six percent decline in the monthly average was primarily due to the seasonal hiring at educational facilities. In October 1985, the number of claimants drawing benefits under the regular benefit program averaged 73,690, or approximately 20 percent lower than the present total.

WEEKLY CLAIMS FOR UNEMPLOYMENT INSURANCE

Week Ending	Michigan			Detroit		
	Total	Initial	Continued	Total	Initial	Continued
October 04, 1986	103,800	16,700	87,100	48,400	6,600	41,800
October 11, 1986	109,800	20,200	89,600	49,600	8,300	41,300
October 18, 1986	107,300	19,200	88,100	50,400	10,100	40,300
October 25, 1986	115,900	18,500	97,400	50,500	6,900	43,600

DETROIT'S COST OF LIVING RISES

Consumer prices in the Detroit metropolitan area increased from 321.4 in September to 324.3 in October. The increase in Detroit area prices was primarily due to higher costs for transportation and housing. Prices in the area climbed by 1.4 percent since October 1985, when the consumer price index stood at 319.7.

At the national level, the cost of living advanced by one tenth of a percent to reach 330.5 during the month. The higher national prices were due to additional costs for medical care and apparel. Between October 1985 and October 1986, national consumer prices increased by 1.5 percent. One year ago, the national index registered 325.5.

HOURS AND EARNINGS

The average workweek of Michigan workers in manufacturing industries decreased to 42.3 hours in October. Additional hours worked by individuals in nonelectrical and electrical machinery were offset by shorter hours worked by persons in motor vehicle and fabricated metal products industries.

During the month average hourly earnings dropped by five cents to $12.76, while average weekly earnings decreased by $5.96 to total $539.75. In October 1985, earnings averaged $12.64 an hour or $549.84 per week for a 43.5 hour workweek.

MICHIGAN'S HOURS AND EARNINGS

Industry	Average Hourly Earnings a/			Average Weekly Hours a/			Average Weekly Earnings a/		
	Oct 1986	Sept 1986	Oct 1985	Oct 1986	Sept 1986	Oct 1985	Oct 1986	Sept 1986	Oct 1985
TOTAL MANUFACTURING	$12.76	$12.81	$12.64	42.3	42.6	43.5	$539.75	$545.71	$549.84
DURABLE GOODS	13.34	13.36	13.21	42.6	42.9	43.9	568.28	573.14	579.92
Primary Metal Products	12.53	12.41	12.27	43.2	43.4	43.7	541.30	538.59	536.20
Fabricated Metal Products	12.67	12.46	12.78	41.7	42.7	43.6	528.34	532.04	557.21
Nonelectrical Machinery	12.98	13.00	12.70	43.6	43.0	43.3	565.93	559.00	549.91
Electrical Machinery	10.67	10.78	10.62	43.1	42.6	41.8	459.88	459.23	443.92
Motor Vehicles & Equip.	15.20	15.33	14.87	42.6	43.2	45.0	647.52	662.26	669.15
NONDURABLE GOODS	10.68	10.79	10.42	41.5	41.6	41.9	443.22	448.86	436.60
Contract Construction	15.60	15.55	15.04	39.9	37.3	39.0	622.44	580.01	586.56
Department Stores	6.96	6.84	6.66	26.9	26.6	27.4	187.22	183.31	182.48

a/ *Average weekly and hourly earnings are computed from aggregates of individual establishment reports utilizing the total amount paid to production workers and total production hours. Average weekly and hourly earnings differ from weekly and hourly rates in that they are affected by overtime wage rates, part-time earnings, the length of the workweek, etc.*

Note: *Current month data are preliminary.*

CIVILIAN LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT ESTIMATES
OCTOBER 1986 (Preliminary)

Area	Civilian Labor Force	Total Employment	Total Unemployment	Unemployment Rate
United States	118,699,000	110,857,000	7,842,000	6.6
Michigan	4,416,000	4,057,000	359,000	8.1
Major Labor Markets				
Ann Arbor MSA	153,500	147,600	5,900	3.8
Battle Creek MSA	63,600	58,700	4,900	7.7
Benton Harbor MSA	75,100	68,700	6,400	8.5
Detroit MSA	2,151,000	1,983,000	169,000	7.8
Flint MSA	201,100	176,600	24,500	12.2
Grand Rapids MSA	335,000	312,000	23,000	6.9
Jackson MSA	62,400	57,400	5,000	8.0
Kalamazoo MSA	112,200	106,000	6,200	5.5
Lansing MSA	236,700	221,900	14,900	6.3
Muskegon MSA	68,000	60,800	7,200	10.6
Saginaw-Bay-Midland MSA	183,500	166,400	17,100	9.3
Upper Peninsula LMA	129,300	116,000	13,200	10.2
Major Counties (15,000+)				
Allegan	39,925	37,025	2,900	7.3
Barry	20,875	19,250	1,625	7.8
Bay	53,375	47,350	6,025	11.3
Branch	17,775	16,200	1,575	8.9
Cass	23,000	21,450	1,525	6.7
Clinton	31,475	29,475	2,025	6.4
Delta	15,350	13,875	1,475	9.7
Eaton	50,125	47,600	2,525	5.0
Grand Traverse	30,325	27,750	2,575	8.5
Gratiot	17,425	15,500	1,925	11.0
Hillsdale	20,100	18,325	1,775	8.8
Huron	16,050	14,500	1,550	9.7
Ingham	155,125	144,825	10,300	6.6
Ionia	18,675	16,250	2,425	13.0
Isabella	27,200	25,500	1,700	6.3
Kent	248,000	229,975	18,025	7.3
Lapeer	35,675	31,725	3,975	11.1
Lenawee	40,275	35,975	4,300	10.7
Livingston	49,350	46,225	3,100	6.3
Macomb	341,475	315,250	26,225	7.7
Marquette	28,650	25,225	3,450	12.0
Midland	32,700	30,550	2,150	6.6
Monroe	65,100	60,175	4,900	7.5
Montcalm	21,250	18,400	2,850	13.4
Newaygo	16,975	15,175	1,800	10.6
Oakland	503,950	461,675	42,250	8.4
Ottawa	86,950	82,025	4,925	5.7
Saginaw	97,425	88,525	8,900	9.1
St. Clair	69,200	63,375	5,825	8.4
St. Joseph	27,050	24,675	2,375	8.8
Sanilac	18,525	16,775	1,750	9.5
Shiawassee	32,300	29,200	3,100	9.6
Tuscola	21,900	19,575	2,325	10.6
Van Buren	28,475	25,675	2,775	9.8
Wayne	1,086,675	1,004,375	82,300	7.6

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SECURITY COMMISSION
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